UNITED STATES DEPARTMENT OF AGRICULTURE Bureau of Agricultural Economics and Agricultural Adjustment Administration

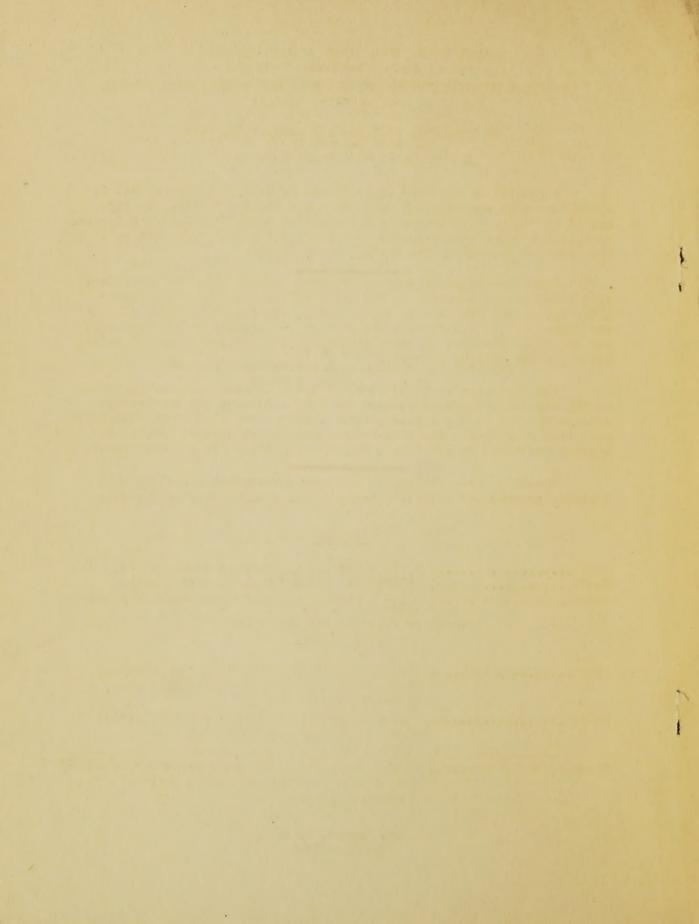
Cooperating with

Purdue University
Agricultural Experiment Station



OPERATION OF THE
EXPERIMENTAL AGRICULTURAL CONSERVATION PROGRAM
IN BOONE COUNTY, INDIANA

By
Harold F. Breimyer
and
Berryman R. Hurt
Bureau of Agricultural Economics



OPERATION OF THE EXPERIMENTAL AGRICULTURAL CONSERVATION PROGRAM IN BOONE COUNTY, INDIANA

By Harold F. Breimyer and Berryman R. Hurt

A special form of the Agricultural Conservation Program was in operation on an experimental basis in Boone County, Indiana, in 1939 and 1940. Under this program the amounts of payments offered to farmers for participation were computed by a different method from that used in the standard program of the North Central Region.

Under the Regional program of 1940, maximum payments for a farm were based on the acreages in the allotments and on the productivity index and normal yields. In Boone County, approximately two-fifths of the funds for the county were distributed for payment in the same way, but the other three-fifths were applied to the "diversion goals" calculated for the various farms.

The diversion goal for corn, or other special or total depleting crops, was the difference between the 1940 allotment and the average acreage planted in the 4 years, 1936 to 1939. The size of the diversion goal thus represented the amount of adjustment in acreage from past history which was required of a farmer for meeting his 1940 allotment.

Specific rates of payment for full performance under the 1940 Regional program and under the Boone County program were as follows:

Regional

Corn	\$0.09 x	acreage	allotment	X	normal yield	
Wheat	\$0.081 x	acreage	allotment	X	normal yield	
General depleting	\$0.99 x	acreage	allotment	X	productivity	index

Boone County

Corn	(\$0.036 x acreage allotment x normal yield)
	plus (\$0.18 x acreage diversion goal x normal yield)
Wheat	(\$0.027 x acreage allotment x normal yield) plus (\$0.18 x acreage diversion goal x normal yield)
General depleting	(\$0.45 x acreage allotment x-productivity index) plus (\$3.60 x acreage diversion goal x productivity index)

In the Boone County program there also were differences in the method of calculating deductions from maximum payments for acreages in excess of allotments.

That experimentation with a method of payment based partly on diversion goals was desirable was suggested by studies of the operation of the Regional program made in 1938 in several Corn Belt States. These studies indicated that there was a marked difference from farm to farm in the adjustment from average acreages of previous years necessary to meet allotments. When the total payments offered on each farm were compared with the adjustment required, the amounts appeared to be relatively high on farms given allotments closely in line with past practice, and low on farms on which large adjustments were necessary. Many of the farmers of whom relatively large adjustments were required and whose payments per acre of adjustment were small did not participate in the 1938 program. Thus the extent of conservation and acreage control obtained for the funds spent was not as large as was thought desirable.

The Boone County program was an experiment with an alternative method of payment that was designed to keep in adjustment the farmers who already were following a well-balanced system of farming and to offer to those out of adjustment additional payments in proportion to their individual diversion goals.

This report was prepared from data obtained in a study made in June 1940 of 255 sample farms in Boone County and 242 in counties adjoining Boone where the Regional program was used. The areas in which the farms were located were selected with a view to having them as comparable as possible. /1

This analysis compares data on significant measures of the operation of the 1940 Boone County program and the Regional program in adjoining counties. Changes from 1938 to 1940 in both Boone and adjoining counties also are shown.

These two programs were alike with regard to conservation practices, and for that reason the study did not cover this phase of the program.

A similar study was made in June 1939 of the operation of the 1939 programs. See "Observed Results of the Experimental Agricultural Conservation Program in Boone County, Indiana". Bureau of Agricultural Economics, Sept. 1939. (Mimcographed)

Participation Higher in Boone County /2

The percentage of farmers participating in the conservation programs was higher in Boone County than in adjoining counties in 1940 (table 1). Seventy-one percent of the farmers earned maximum or partial payments in Boone County compared with 55 percent in adjoining counties.

Table 1. - Percentage of farms participating in Agricultural Conservation Programs

County and performance	1936 '	1937	1938	1939	1940
D A	Percent	Percent	Percent	Percent	Percent
Full performance Partial performance Total	26 21 ₄ 50	13 20 33 ···	21 ₄ 23 47	23 . 64	42 29 71
Adjoining counties Full performance Partial performance Total	26 20 46	19 14 33	30 22 52	41 16 57	144 11 55

The difference in the percentages of total participation in the two programs in 1940 is accounted for by the higher percentage of participators in partial performance in Boone County. The percentage of farmers who were in full performance in both 1939 and 1940 was essentially the same under each program.

Most of the farmers in Boone County who were in partial performance did not earn maximum payments because they exceeded their corn allotments. Nineteen percent of the Boone County farmers were in partial corn performance in 1940 compared with 7 percent of the farmers in adjoining counties. In both Boone and adjoining counties, farmers who exceeded their corn allotments were not eligible for corn parity payments.

The special method of computing payments in Boone County had the effect of bringing in, as partial performers, a number of farms which with the same crop acreages would have been nonperformers under the Regional program. Approximately 7 percent of the farms were so affected, and under Regional methods the percentage of partial performers would have been 22 percent, and of all performers, 64 percent.

A participating farmer is one who signed an AAA farm plan and earned a payment on crops for which acreage allotments were made. A farmer was in full performance when he kept his acreage of each crop or group of crops within the respective acreage allotments and thus earned maximum payments on his allotments. A farmer was in partial performance when he exceeded one or more of his allotments and incurred a deduction in payment that was less than the maximum payment that could have been earned by the farm.

Depleting Crop Acreages Reduced in Both Areas since 1937

Reductions in the acreages of corn, wheat, and all depleting crops since 1937 have been substantial (table 2). The decreases in acreage of total depleting crops and acreage of wheat have been somewhat greater in Boone than in adjoining counties. The acreage of total depleting crops /3 in 1940 in Boone County was 19 percent less than in 1936-37 whereas the corresponding decrease in adjoining counties was only 15 percent. During this period the acreage of wheat decreased 43 percent in Boone compared with 25 percent in adjoining counties. The decrease in the acreage of corn has been about 18 percent below 1936-37 in both instances.

Table 2. - Depleting crop acreages on sample farms. 1936-40

County and year		o r n :Percent- : age /1 :relative	Acreage	e a t :Percent-	:Acreage:	ops Percent-
Boone County 1936 1937 1938 1939 1940	7,764 8,216 7,135 6,995 6,599	97.2 102.8 89.3 87.5 82.6	1,823 3,451 2,142 1,794 1,507	69.1 130.9 81.2 68.0 57.1	14,317 16,562 13,461 13,298 12,461	92.7 107.3 87.2 86.1 80.7
Adjoining counties 1936 1937 1938 1939	7,831 8,230 7,022 6,812 6,594	97.5 102.5 87.4 84.8 82.1	2,467 2,834 2,135 2,124 1,996	93.1 106.9 80.6 80.2 75.3	15,356 16,844 14,511 13,876 13,665	95.4 104.6 90.1 86.2 84.9

1/ 1936-37=100

Adjustment of Total Depleting Crops Somewhat Better in Boone County

Reductions in total depleting acreages from the 1936-39 average acreage were made in both areas, even though the overplanting by non-participators caused the 1940 allotments to be exceeded (table 3). The amount of overplanting on all farms was little different in the

The farmers in Boone County and adjoining counties were given allotments on all depleting crops as a whole, expressed as "total depleting crops", and on the special crops corn and wheat, and for this reason performance is here discussed in those terms.

two areas - 6 and 7 percent - but Boone farmers reduced their total depleting acres 14 percent from history whereas farmers in adjoining counties reduced 10 percent. Boone farmers made greater reductions with the same amount of overplanting because their allotments were lower in relation to history than the allotments in the counties of the adjoining area.

In terms of acreage the total reduction from 1936-39 required of the farmers in Boone County to meet their allotments was 2,608 acres, of which they made 75 percent. In the adjoining counties a reduction of 2,394 acres was required, and 62 percent of it was made.

Table 3. - Total depleting acreages on participating and nonparticipating farms

County and performance	Average 1936-39 planted acreage	allot- ment	: : 1940 : acreage	: 1940 :allotment : planted	e:Porcentage :1936-1939 : acreage : planted
Boone County Full performance Partial performance All participators	5,989 4,752 10,741	5,101 3,747 8,848	4,667 3,989 8,656	92 106 98	78 81 ₄ 80
Nonparticipators All farms	3,670	2,955 11,803	3,805	129	104
Adjoining counties Full performance Partial performance All participators	7,046 2,373 9,419	6,020 2,122 8,11,2	5,644 2,187 7,831	9l ₄ 103 96	80 92 83
Nonparticipators All farms	5,728	12,753	5,834	126	102

Corn Adjustment about Equal in the Two Areas

When all the farms, participators and nonparticipators, in the two areas are considered, the corn results are very similar. The allotments were overplanted 16 percent in Boone County and 17 percent in the adjoining counties (table 4). The reduction obtained from 1936-39 history was 12 percent in both areas.

Because participation was higher in Boone than adjoining counties the amount of corn acreage adjustment obtained on participating farms was the larger in Boone County. Participators reduced 1,1214 acres there and

1,093 acres in adjoining counties. But nonparticipators in Boone County overplanted their allotments by 69 percent, nullifying a part of the reduction contributed by participators. In all, 51 percent of the required corn adjustment was obtained in Boone County and 47 percent was obtained in the adjoining counties.

Corn performance was only slightly better in Boone than in adjoining counties even though total participation was higher and the performance in total depleting crops was better there. This situation probably is caused by a more pronounced tendency in recent years to shift from wheat to corn in Boone County. Table 2 (page 4) shows that wheat acreage in Boone County had a very high 1-year peak in 1937, but has declined rapidly since 1937. In adjoining counties the variations and the tendency to decline are not nearly so great. The acreage of corn has taken a different course. It has declined since 1937, but associated with the large reduction in wheat there was a relatively small reduction in corn in 1938 and 1939 in Boone County. These trends in acreages appear to have made wheat performance comparatively easy to obtain, and corn performance comparatively difficult to obtain, in Boone County.

Table 4. - Corn acreages on participating and nonparticipating farms

County and performance	: Average : 1936-39 : planted : acreage	1940 allot-	: 1940 : acreage	:Percentage : 1940 :allotment : planted	:Percentage :1936-1939 : acreage : planted
	Acres	Acres	Acres	Percent	Percent
Boone County Full performance Partial performance All participators	3,202 2,451 .5,653	2,505 1,798 4,303	2,318 1,911 4,229	92 106 98	72 78 75
Nonparticipators All farms	1,875	1,1402 5,705	2,370 6,599	169	126
Adjoining counties Full performance Partial performance All participators	3,406 1,086 4,492	2,672 876 3,548	2,505 892 3,397	94 102 96	74 82 76
Nonparticipators All farms	2,981	2,078 5,626	3,197 6,594	154	107

Wheat Adjustments were Larger in Boone County

The declining trend in wheat acreage has caused performance to be satisfactory in both areas. In Boone County, reductions clearly were successfully obtained, the planting having been smaller than the allotments even in the case of nonparticipators (table 5). The adjustments from the 1936-39 average amounted to 34 percent in Boone County and 16 percent in adjoining counties. Even if the abnormal year 1937 were omitted in the history the reductions would be 22 percent in Boone County and 11 percent in adjoining counties.

Table 5. - Wheat acreages on participating and nonparticipating farms

County and performance	: Average : 1936-39 : planted : acreage Acres	allot-	1940 acreage	:Percentage : 1940 :allotment : planted Percent	e:Percentage :1936-1939 : acreage : planted Percent
Boone County . Full performance Partial performance All participators	940 786 1,726	745 639 1,384	523 558 1,081	70 87 78	56 71 63
Nonparticipators All farms	<u>574</u> 2,300	1,823	1,507	<u>97</u> 83	74 66
Adjoining counties Full performance Partial performance All participators	1,259 458 1,717	1,164 406 1,570	979 386 1,365	82 <u>93</u> 87	78 81 ₄ 79
Nonparticipators All farms	673 2,390	<u>561</u> 2,131	632	107 91	94

Participation of Farmers with High Corn Acreage Adjustments Better in Boone County

The foregoing discussion has explained the differences in participation and in crop acreages that were observed on the sample farms. The succeeding sections relate to the origin of the differences among the various kinds or classes of farms.

It was recognized in the Boone program that there is a large variation from farm to farm in the reductions from crop-acreage history that are required for farmers to meet their allotments. The variations that were found in 1940 are shown in table 6. Fourteen farms in Boone

County had 1940 corn allotments that were higher than their 1936-39 average acreage. There were, at the other extreme, 23 farms which were required to reduce their corn acreage 18 or more acres for each 100 acres of cropland. A similar situation prevailed in the adjoining counties.

Small allotments are not the reason for the large adjustments required on some farms. Instead, farms with large adjustments to make have allotments larger than average. Such farms have high crop-acreage histories and frequently are unproductive ones with low NCR 203 Soil Management ratings (an index of soil productivity established by the Agricultural Adjustment Administration). Because the NCR 203 ratings are included with crop histories in the procedure of setting allotments, these farms are given allotments that are far below their crop acreages of previous years.

Table 6. - Corn payments offered for full performance and percentage participation on farms classified according to acres of corn adjustment required

			***		**
Acres corn adjust- ment from 1936-39 average required per 100 acres cropland	:Number of :farms	: per 100 a : croplan :Average: 1 :1936-39:a1	cres: offord : period : period : Per lot-: crop	formance /1 : Per acre : adjustment:	of farms partici-
Boone County none 0.1 to 4.4 4.5 to 8.9 9.0 to 13.4 13.5 to 17.9 18.0 and up All furms		Acres A 20 29. 35 39 45	27 0.89 26 1.19 28 1.50 28 1.77	38.38 22.14 16.00 14.64 11.37	79 63 76 67 70 74 71
Adjoining counties none 0.1 to 4.4 4.5 to 8,9 9.0 to 13.4 13.5 to 17.9 18.0 and up All farms	19 33 64 60 36 30 242	26 33 38 43 51	26 1.53 23 1.44 26 1.49 27 1.56 27 1.59 30 1.65 26 1.52	21,40 14,58 10,43 7,89	68 70 62 58 44 23

^{1/} Includes parity payments; administrative expenses not deducted.
2/ The corn payment was slightly larger and wheat and general payments smaller in Boone County.

Corn payments in the Regional program were computed according to the size of the corn allotments. The payments offered for full performance were therefore nearly uniform per crop acro on all farms (table 6). When they are compared with the acreages of corn adjustments required, however, they have large variations. On farms in the sixth group, which had the largest adjustments to make, the payment was \$7.89 per acro of adjustment required, but on these in the second group it was \$49.12 per acre.

In Boone County, farmers with very little change to make in their corn acreage were offered relatively smaller payments and those with larger adjustments were offered relatively larger payments, as compared with adjoining counties. Payments offered in Boone County per acre of adjustment required were \$11.37 in the sixth group and \$38.38 in the second group.

The additional incentive to make the greater changes in acreages required of them caused farmers in the large-adjustment groups to participate in the Conservation Program in larger numbers in Boone than in adjoining counties. The percentage of participation was as low as 23 percent in the sixth group of farms in adjoining counties, but was 74 percent - almost as high as in any group - in the sixth group in Boone County. The higher participation on all farms in Boone County occurred because the large-adjustment farms were brought into the program without a loss of small-adjustment farms /4.

The Boone Program Changes the Distribution of Funds among Farms

The Boone County method of making payments causes a difference from the Regional program in the distribution of payments offered. The uniformity of participation among adjustment groups in Boone County causes an even greater difference in distribution among farms of the payments earned.

In the Regional program counties that adjoined Boone, the second group of farms had 24 percent of the cropland, was asked to contribute only 8 percent of the corn adjustment required, and was offered 22 percent of the payment (table 7). The sixth group, with 9 percent of the cropland, was offered 9 percent of the corn allowance for making 21 percent of the adjustment.

In Boone County, the second group, with 18 percent of the cropland, was offered 13 percent of the allowance for 6 percent of the adjustment. The sixth group, with 6 percent of the cropland, was required to make 16 percent of the adjustment, and was offered 10 percent of the payment.

Analysis of participation history in Boone County indicates that before the adoption of the special program the pattern of participation was the same there as in adjoining counties.

Table 7. - Comparison of adjustments required and payments offered among the several adjustment groups

Acres corn :distribution: distribution: distribution distribution: distribution adjustment from 1936-39: of : of acres of : of corn : of corn average required per : acres of : corn adjust-: payments : payments	ge ion
100 acres cropland : cropland :mont required: offered /1: made /1	
	S
Boone County none 2.8 - 2.1 1.5 2.1	
0.1 to 4.4 17.5 6.1 12.6 13.5	
4.5 to 8.9 34.6 26.4 31.4 32.1 9.0 to 13.4 26.7 33.0 28.6 25.5	
13.5 to 17.9 11.9 20.2 15.9 15.7	
18.0 and up 6.5 16.4 10.0 11.1	
All farms 100.0 100.0 100.0	
Adjoining counties	
none 4.4 23.5 - 2.3 4.4 4.5 0.1 to 4.4 23.5 8.1 22.2 32.3	
4.5 to 8.9 27.7 22.6 27.1 31.3	
9.0 to 13.4 24.9 31.1 25.5 21.1 13.5 to 17.9 11.0 19.6 11.5 6.4	
18.0 and up 8.6 20.9 9.3 4.4	
All farms 100.0 100.0 100.0 100.0	

^{1/} Includes parity payments; administrative expenses not deducted.

Uniform participation in Boone County resulted in a distribution of payments earned that was about the same as that of payments offered. In adjoining counties the big share of payments went to the first four groups. The last two groups of farms, which had 20 percent of the cropland and were asked to make 40 percent of the corn acreage adjustment, earned only 11 percent of the payments made in the area.

Greater Acreage Adjustments Obtained in Boone County for Each \$100 Spont

The amount of conservation and parity payments expended on corn in Boone County in 1940 averaged \$1.37 per crop acre (table 8). The cost of each acre of corn adjustment obtained was \$14.78, or in terms of production, it was \$0.36 per bushel of corn adjustment obtained.

In the Regional program counties the participation was highest on the farms that had the least corn adjustment to make (table 6). Therefore the cost of the adjustment obtained on the participating farms was higher than in Boone County, averaging \$18.19 per acre and \$0.45 per bushel of adjustment obtained (table 8).

From the standpoint of efficiency of expenditure of funds, each \$100 expended in Boone County yielded 1.3 more acres and 52 more bushels of corn adjustment than in adjoining counties.

The data on payments under the two programs have not been corrected for the expenses of administration in the county office. The extra informational effort in connection with the special program, together with the additional administrative work required by the use of calculations of diversion goals, has caused the expenses to be higher in Boone than in the adjoining counties. The estimates for 1939 are that expenses were 6 percent of payments in Boone County and 5 percent of payments in adjoining counties. In 1940 they are expected to be $6\frac{1}{2}$ as compared with $4\frac{1}{2}$ percent.

According to these estimates for 1940 the payments actually accruing to farmers would be \$13.82 per acre and \$0.34 per bushel of corn adjustment obtained in Boone County and \$17.37 per acre and \$0.43 per bushel in adjoining counties.

. Table 8. - Comparison of corn adjustments obtained per \$100 expended

	4				
Acres corn adjust-:	: Corn	payments	made /2	:Corn ad	justment
ment from 1936-39 : Corn	:	Per acre	: - Per	: obtain	ed per
average required :adjustment	c: Por :	corn	: bushel	: \$100 es	xpended
per 100 acres : obtained	crop :	adjustment	t:adjustment	: ^	:Produc-
ropland : 1940 /1	:acre /1:	obtained	: obtained.	Acreage	: tion
			Dollars		Bushels
Boone County		- 1		Marrier, Street State of Street, St. 1 1000	
none 25	0.90	17.49	0.46	5.7	218
0.1 to 4.4 110	1.07	25.89	.62	3.9	160
4.5 to 8.9 345	1.24	19.58	.48	5.1	210
9.0 to 13.4 455	1.37.	11.80	. 29	8.5	339
13.5 to 17.9 257	1.92	12.86	.31	7.8	326
18.0 and up 232	2.14	10.05	26	10.0	381
All farms 1.124	1.37	14.78	.36	6.8	275
Table 1 and	10)[14. 19.		0.0	-17
Adjoining counties					
none 1	1.30	896.78	21.82	0.1	4
0.1 to 4.4 159	1.48	40.40	.96	2.5	105
4.5 to 8.9 342	1.49	18.18	.45	5.5	224
9.0 to 13.4 364	1.32	11.56	-29	8.6	384
13.5 to 17.9	1.50	8.57	. 21	11.7	
18.0 and up	1.68	10.99	. 29	9.1	350
All farms 1,093	1.45	18.19	•45	5.5	223
			es 1801 1 400		

^{1/} On participating farms.

^{2/} Includes parity payments; administrative expenses not deducted.

Boone Program Better in Obtaining Participation on Small Farms and on Farms with Low Yields

In the Regional program in Boone County in 1938 and in counties adjoining Boone in the last 3 years, farmers with small farms have had more difficulty in complying with their allotments and participating in the program than have farmers with larger acreages (table 9). The percentages of participation are higher on the larger farms, with those larger than 150 acres showing a marked difference from the groups under 150 acres.

The Boone program has resulted in a reduction of the differences in percentage of participation between farms under 150 and over 150 acres, although it has not obtained complete uniformity. The procedures in Boone County offer some advantage to the small farms as compared with the Regional ones because the smaller size groups tend to be less productive and have lower NCR 203 Soil Management ratings, and thus to have larger diversion goals, than the farms of more than 150 acres. The differences in size of diversion goal between the smaller-size and the largest groups vary from 0.8 to 3.0 acres per 100 acres cropland (table 9). The Boone program gives relatively higher payments to farms that have diversion goals larger than average.

Table 9. - Participation on farms of various size

				-			
Acres in farm	· of	corn	Average NCR 203 Index 1	Ave. corn adj. req. por 100 acres cropland		icipati	ing
	-	Bu.		* .			
Boone County			a				
less than 50	. 49	3.8.9	59.1	9.4	33	. 53	65
	93	40.6	58.6	9.1	46	62	74
	. 63	41.3	60.0	9.4	46	63	63
150 and over	. 50	41.4	61.5	8.3	65	80	80
All farms	, 255	40.6	60.2	8.9	47	64	71
Adjoining countie	S			•			
less than 50	. 61	40.4	60.1	8.4	41	54	46
	- 91	39.6	60.3	9.8	47	52	56
	* 37	40.8	60.4	10.3	51	54	49
150 and over	. 53	43.3	62.9	7.3	72	72	70
All farms	. 5/15	40.7	61.8	8.6	52	57.	55

^{1/} The MCR 203 Soil Management rating in terms of total soil depleting crops per 100 acres of cropland. A high index indicates a productive farm.

Table 10. - Participation on farms of high and low corn yield

Normal corn	. 01	acres of	.NUR ZUD.	Ave. corn adj. req. per 100 acres	Percen-	tage of	farms ing
yield	: farms	cropland	: Index $\frac{1}{2}$:	cropland	: 1938	: 1939	: 1940
Bu.		Bu.	19.5.4	,			
Boone County less than 35 35 to 39.9 40 to 44.9 45 and over All farms	32 71 94 58 255	51 ₄ 71 91 89	54.2 57.6 61.3 63.1 60.2	10.0 9.5 8.8 8.0 8.9	31 38 52 56 47	59 66 62 69 64	62 75 74 66 71
Adjoining counti less than 35 35 to 39.9 40 to 44.9 45 and over All farms	27 77 92 46 242	64 68 96 127 89	54.8 58.9 61.7 66.0	14.2 8.7 8.2 7.2 8.6	22 144 57 72 52	33 51 67 61 57	48 55 58 57 55

^{1/} The NCR 203 Soil Management rating in terms of total soil depleting crops per 100 acres of cropland. A high index indicates a productive farm.

Regarding farms of low yield, the picture is similar. Of the lowest yield group of farms, 62 percent participated in Boone County in 1940. In 1938, 31 percent were participators. In the Regional program area participation was 48 percent in 1940 (table 10). Low-yield farms, like small farms, receive a larger payment under the Boone than under the Regional program, because they have comparatively high diversion goals caused by low NCR 203 Soil Management ratings.

Insofar as it is an objective of the Agricultural Conservation Program to obtain participation on small farms and low-yield farms at least equal to that on larger and higher yield farms, the Boone County variation of the Regional program appears to have given good results.

Neither Program Completely Successful in Holding Farms in Participation from Year to Year

It was found in the study that of the 181 participators in Boone County this year, 57 had been nonparticipators in 1939. There were 40 farms which had participated in 1939 but were out of the program this year. In the regional counties the situation was similar. Of this year's 134 participators, 37 did not participate last year; and 41

farms changed from participators in 1939 to nonparticipators in 1940. Only 11 percent of the farms in Boone County and 17 percent of those in adjoining counties have never been in the program since 1936.

Summary and Conclusions

The Agricultural Conservation Program in operation experimentally in Boone County, Indiana, in 1939 and 1940, in terms of policy affords payments for performance more nearly in proportion to the acreage adjustments from historical averages that are required to meet allotments than under the North Central Regional program; and in terms of administrative procedure involves an additional calculation of diversion goals for all farms and payments offered on them, and special forms of deductions for exceeding allotments.

Participation achieved has been higher in the Boone than in the Regional program. The fact that there are more partial performers in Boone County accounts for most of the difference. Participation has been high in the Boone program because farms with small adjustments to make remained in it and farms with large adjustments to make, who received in the Boone program a special incentive to participate, came into it in much larger proportion than large-adjustment farms went into the Regional program.

Increased participation of farms needing to make large adjustments resulted in an amount of total acreage adjustment in corn, wheat, and total depleting crops by all participating farms in Boone County which was larger than the amount made by participators in counties adjoining Boone. A consequence was a greater economy of expenditure of funds, with relatively large adjustments obtained in Boone County per \$100 spent.

Overplanting by nonparticipators, especially of corn, was greater in Boone County. For this reason the Boone program does not show a marked advantage in acreage reductions obtained on all farms, compared with the Regional program. There is little difference in results for corn under the two programs. Adjustments in wheat acreage were larger in Boone County, and the adjustments in total depleting crops were somewhat better in the Boone area.

The major superiority of the Boone program appears to be in the uniformity of its effects from farm to farm. In Boone County large-adjustment farms participated as well as small-adjustment farms. And yet, participation on the small-adjustment farms was as high as in any group. Small farms came into the program almost as well as did the larger farms, and low corn-yield farms, which generally were those of poor soil and low productivity, also participated in greater numbers in Boone County than in the Regional program area.

